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State of Indiana

Senate

Senator Thomas J. Wyss
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Committees:
Homeland Security, Transportation & Veterans Affairs, Chair
Rules & Legislative Procedure, R.M.
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February 18, 2011

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Office of Proceedings

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Hon. Daniel R. Elliott, III, Chairman
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

RE: Office of Proceedings - STB Docket No. EP 704

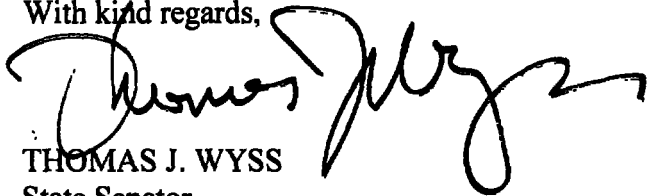
Dear Chairman Elliott:

Weaver Popcorn, a major employer and exporter in Northwest Indiana and operator of the world's largest popcorn production facility at Van Buren, Indiana, has submitted testimony to the board. Due to a non-responsive American rail system, Weaver is at a 20-25% disadvantage in freight costs to export markets, versus overseas competitors, who can load their containers more completely, resulting in higher weights than United States highway limits would allow. This causes competitive disparity. The solution is to load overseas containers directly onto Weaver supplied railcars, at their plant, reducing Weaver's shipping costs to competitive levels. However, major American railroads decline to support this solution, instead insisting that exporters drive shipments many miles, through very congested highway systems to major container terminals at Chicago or Detroit, further exacerbating the competitive disadvantage.

This problem is not unique to Weaver. It is endemic. Federal policy should encourage exports and the associated employment. Weaver's program would do so, while relieving stress to our already deteriorating highways. We request that your agency quickly review regulation of the container shipments in the United States. It should be adjusted to stimulate greater cooperation by the major railroads, allowing and encouraging all American exporters the ability to load overseas containers onto rail cars at their own plants, creating efficiencies for both shippers and railroads. Many of these movements can move in "regular" freight train service, instead of special container trains only, with no detriment to the railroads' current container shipping programs.

Thank you for your kind and prompt attention to this request. I look forward to hearing your thorough review of the regulation of this sector of rail activity.

With kind regards,

A handwritten signature in black ink, appearing to read 'Thomas J. Wyss', written in a cursive style.

THOMAS J. WYSS
State Senator

TJW:mg